



STATE OF CONNECTICUT
DEPARTMENT OF PUBLIC WORKS
165 Capitol Avenue, Hartford, Connecticut 06106-1606

RAEANNE V. CURTIS
Commissioner

TESTIMONY
BEFORE THE
GOVERNMENT ADMINISTRATION & ELECTIONS COMMITTEE

MARCH 1, 2010

**Raised Bill 285 AN ACT CONCERNING CERTAIN CONSULTANT SELECTIONS BY
THE DEPARTMENT OF PUBLIC WORKS AND PUBLIC BIDDING FOR JUDICIAL
DEPARTMENT PUBLIC BUILDING CONTRACTS**

The Department of Public Works (DPW) is in support of Raised Bill 285.

The first section of the bill makes consistent the dollar and approval thresholds for the selection of consultants for state construction projects.

Current law CGS 4b-23(i) defines a "project" as used in the subsection as "any state program...requiring consultant services if the cost of such services is estimated to exceed \$100,000 or more, and in the case of a constituent unit of the state system of higher education, the costs of such services is estimated to exceed \$300,000". This proposal eliminates this inconsistency and establishes a three hundred thousand dollar amount for all projects.

For any "project" that meets these threshold levels there are currently two selection processes that DPW utilizes to hire consultants: (i) the formal selection process (CGS 4b-55 through 4b-61); and (ii) the on-call selection process (CGS 4b-51(d)).

The formal selection process requires DPW to publicly advertise and post on the State's Contracting Portal requests for qualifications of services for all consultant contracts that are estimated in value of \$300,000 or more. The selection procedure is a two-step qualification-based selection with one panel short-listing qualified consultants through a screening process, and the second panel ranking those consultants from highest to lowest as recommendation for selection for the project by the Commissioner. After the selection, DPW then negotiates the fees for the selected consultant's services based on the scope of work; and then obtains all statutory and legal requirements such as: gift and campaign contribution certification, consulting affidavit, ethics affidavit, and disclosure affidavit. Once all the documents are collected and found to be in good order, a contract package is forwarded to the State Properties Review Board "SPRB" for approval. Once SPRB approves the contract package, the contract documents are signed by both DPW

and the consultant. At this point, DPW receives the executed Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Ban, [SEEC Form 10] from the consultant. The contract package is then forwarded to the Attorney General's Office for final approval. The entire process, on average, takes 11 months to complete.

The DPW On-Call selection procedure is used to select and contract with consultants (typically 4) to be placed on the DPW On-Call Consultant Services Contract List. The On-Call selection process is substantially the same as the formal selection process. Once approved, DPW now has in place several master "On-Call" contracts, typically valued at \$300,000 or \$500,000, in which task assignments are sequentially assigned. The total dollar value of all individual On-Call task assignments per contract cannot exceed the total value of the master "On-Call" contract.

Despite the fact that all DPW On-Call contracts are approved by SPRB through the extensive process described above, CGS 4b-23 requires all task letters (written from a previously approved contract) exceeding \$100,000 to be approved by SPRB. This unnecessary and time-consuming duplication of review does not offer any added value to the contracting process. The threshold should be raised to \$300,000 for both consistency and efficiency.

The lower threshold is also outdated in view of (i) recent inflation in the industry; and (ii) the administrative cost of formally selecting consultants for work to be performed with smaller dollar amounts outweighing any benefit. The threshold for State Properties Review Board review of contracts also contains an outdated lower dollar threshold and for the reasons discussed should also be adjusted.

The bill assures that all consultants are selected competitively regardless of the dollar amount of the work to be performed and that those contracts or task letters over three hundred thousand dollars are reviewed by the State Properties Review Board.

Section 2 of the bill seeks to clarify that the Judicial Department must use competitive bidding for every contract for construction, reconstruction and alteration of a public building which is estimated to cost more than \$500,000.

During the 2009 September Session, in Section 67 & 68 of Public Act 09-7 modified Sec 4b-52 to allow the Judicial Branch's authority for design and construction to be raised from \$500,000 to \$1.25 million. This authority requires the approval of the Commissioner of Public Works and requires that Judicial confirm to all guidelines and procedures established by the Department of Public Works. However, the necessary changes to add the Judicial Branch to DPW's competitive bidding statutes were inadvertently excluded.

The Department of Public Works, if requested, is available to meet to discuss the information contained in this testimony. Please contact Doug Moore, DPW Chief of Staff at (860) 713-5800 with any further questions.